

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Date: 8/19/2011

GAIN Report Number: AU1106

Austria

Post: Vienna

New Corn Parent Seed Facility

Report Categories:

Planting Seeds

Grain and Feed

Bio-Fuels

Biotechnology

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Report Highlights:

Pioneer Seed's corn parent seed production facility in northeastern Austria will start operations in August. Austria's 'GMO free' status was likely a factor in the plant's location.

General Information:

Opening of New Pioneer Hi-Bred Parent Corn Seed Production Facility

A new corn parent seed production facility is to start operation by the end of August 2011 in Parndorf, in northeastern Austria. Pioneer Hi-Bred, headquartered in Des Moines, Iowa, opened the \$6 million facility in time for the upcoming corn harvest. The new plant enlarges Pioneer's existing facility in Parndorf and will process parent corn seed lines that are used in the production of hybrid seeds (i.e., the ones ultimately purchased by farmers). The 10,000 square meter facility will primarily supply European hybrid corn seed producers.

Pioneer Parndorf started its operations in 1982 with hybrid corn multiplication, corn breeding, and seed sales. The company, and the Austrian seed farmers under contract, have years of experience in corn hybrid multiplication. In the past, the supply of parent corn seed lines have come from the United States and South America. In the future, production will increasingly be carried out locally.

Relatively stable climate conditions, small field sizes with sufficient isolation distances, and experienced farmers were important factors in the selection of Parndorf. In addition, the European market is very sensitive to the unintended trace presence of biotech events in corn seed. Austria has banned the cultivation of even EU-approved biotech events and, in this context, Austria's 'GMO free' status is an advantage in the production of parent seed lines for the European market.

Major markets for the parent corn produced in Parndorf are Central and Eastern Europe, and Japan. In 2010, Austria exported some 13,000 MT of corn for seed use worth \$48 million (Source: Global Trade Atlas). Behind France, Hungary and Italy, Austria is one of the major seed corn producers in the EU.